



State of California

CALIFORNIA EMPLOYER

First Quarter 2002

New legislation affects Unemployment Insurance program

Recently enacted state legislation (Senate Bill 40) makes various changes to the Unemployment Insurance (UI) Program. All of the following changes are effective January 1, 2002:

- Increases the **maximum** weekly UI benefit amount as follows:

<u>Claims Effective</u>	<u>Max. Benefit Amount</u>
Jan. 6, 2002	\$330
Jan. 5, 2003	\$370
Jan. 4, 2004	\$410
Jan. 3, 2005	\$450

- Moves the base period closer to the claim date for claims filed in January, April, July, and October.

For example, a January 2002 claim date would have the following base period:

Under Prior Law

July 2000 – June 2001

Under Current Law

October 2000 – September 2001

- Extends eligibility to part-time employees who meet specific criteria.



For additional information on Senate Bill 40, please visit

our Web site at www.edd.ca.gov or call us at (916) 653-7795.

Plan to lay off employees? Try the Work Sharing alternative

Are you looking for an alternative to laying off your experienced employees in these uncertain economic times? Work Sharing may be the answer for you.



Work Sharing is a temporary and practical alternative to layoffs that is also flexible enough to meet the needs of most employers. Under this program, when you have a reduction in services, production,

or other conditions, you can reduce the hours and wages of your employees and they may become eligible for a prorated percentage of Unemployment Insurance (UI) benefits.

When business conditions improve, you can quickly gear up without the expense of recruiting, hiring, and training new employees. In turn, your employees are spared the hardship of full unemployment.

Employers are charged for Work Sharing UI benefits in the same manner as regular UI benefits, so you need to determine if this is the best alternative for your business.

For more information, please visit our Web site at www.edd.ca.gov or call us at (916) 464-3300.

Flex your power, improve your bottom line

California's energy challenge continues to affect the way we all use electricity. In conjunction with utility companies, generators, and consumer groups, the



Governor and leaders of the California Legislature continue working to fashion long-term solutions for the state's power needs. The State of California is currently following its plan to reduce consumption by a minimum of 10 percent.

As a California employer, you play an important role in the statewide efforts to reduce electricity demand, avoid shortages, and lower energy bills.

To flex your power and improve your bottom line, consider taking the following small, but important, steps:

- Set your thermostat to 68 degrees or lower. (Save: 2% per degree below the old setting)
- Remove excess fluorescent lamps. (Save: up to 8%)
- Close exterior and freight doors whenever possible. (Save: up to 2%)
- Replace incandescent light bulbs with Energy Star® compact fluorescent light bulbs. (Save: up to 10%)

(Savings are based on your total winter electric bill. Equipment must be electric powered for estimates to be accurate.)

Save time and work with Electronic Funds Transfer!

You too can enjoy the benefits of Electronic Funds Transfer (EFT) even if you are not required to pay by EFT.

The majority of our participants sign up for EFT to enjoy the many advantages of making their tax payments electronically, such as speed, security, and ease of use. Other benefits include no longer having to send DE 88 coupons, write checks, or pay for postage.



If you would like more information, please call our EFT Unit at (916) 654-9130 or visit our Web site at www.edd.ca.gov/taxpay.htm.

Help us serve you better

You can help us serve you better by using the preprinted forms, payment coupons, and envelopes that we send to you. Because these items are coded with information:

■ **If you use another employer's coupon**, your payment will be posted to the other employer's account, which may result in a billing for unpaid taxes, penalties, and interest to your account.

■ **If you use EDD envelopes to pay other bills**, the Postal Service's processing equipment will read the address bar-code



on the envelope and forward it to EDD, *regardless* of the address that appears on the envelope.

To ensure accurate processing, please be sure to include your EDD employer account number on all documents and payments that you send to us.

If you have not yet received your preprinted forms or coupons, blank forms and coupons are available on our Web site at www.edd.ca.gov/taxfmind.htm or by calling us at 1-888-745-3886.

Used an independent contractor or hired a new employee this year?

If you have used the services of an independent contractor this year, remember that specific information about the contractor needs to be reported to EDD within 20 days of either entering into a contract or making payments totaling \$600 or more.

In addition, if you have new hires, you need to report them to EDD within 20 days of their start-to-work date.

We now offer the *Information Sheet: Reporting New Employees and Independent Contractors* (DE 231Y), which provides detailed information on new employee and independent contractor reporting requirements.

To obtain the information sheet, reporting forms, or more information, please visit our Web site at www.edd.ca.gov or call us at (916) 657-0529.

School employers seminar set for April

The annual Unemployment Insurance Seminar for School Employers is scheduled for April 25-26 at the Hyatt Regency Suites in Palm Springs.



This year's seminar, which is sponsored by the School Employer

Advisory Committee, will include presentations on:

- Claim procedures (eligibility, forms, and protests)

- Employee separation (misconduct and discharge)
- Reasonable Assurance (legal requirements and definition)
- Appeal hearing preparations
- Precedent Board Decisions and current legislative bills

If you would like to attend the seminar but have not received a registration packet, please call our School Employees Fund at (916) 653-5380.

Payroll tax seminars offer valuable assistance

Did you know that EDD offers no-cost seminars to help you understand and comply with California payroll tax laws? We can even customize seminars to meet the specific needs of your organization.



For more information, please visit our Web site at www.edd.ca.gov/taxsem, or contact us toll free at 1-888-745-3886 (press "0" to speak to a customer service representative).

Plan on attending a Small Business Fair

Business owners and potential business owners are invited to attend an upcoming Small Business Fair, which offers workshops on federal, state, and local tax and business requirements.

For details, visit the State Board of Equalization's Web site at www.boe.ca.gov/sutax/tpsched.htm. These events are free, but reservations are recommended if you plan to attend a workshop.

■ **Riverside Small Business Tax Day**
Riverside Convention Center
April 11, 8:30 a.m. – 4 p.m.
Call: (909) 680-6705
E-mail: rivtxday@boe.ca.gov

■ **Bay Area Small Business Fair**
Hiram Johnson State Building
May 17, 8:30 a.m. – 2:30 p.m.
Call: (415) 703-5432
E-mail: basmbus@boe.ca.gov

■ **Norwalk Small Business Fair**
Rio Hondo College
June 21, 8:30 a.m. – 3 p.m.
Call: (562) 466-1539
E-mail: norsmbus@boe.ca.gov

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